

INFORMATION TECHNOLOGY
OVERSIGHT COMMITTEE



REPORT
to the
FORTY-SEVENTH LEGISLATURE,
FIRST SESSION

December 2004
Legislative Council Service
File No. 205.182-04

REPORT
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE

The Information Technology Oversight Committee (ITOC) is charged with monitoring the work of the Information Technology (IT) Commission and the Office of the Chief Information Officer (CIO), overseeing the implementation of the Information Technology Management Act and other state-funded IT systems and programs.

The ITOC received numerous updates from the chairman of the IT Commission and the state CIO on the status of various enterprise-wide IT systems including:

- the statewide human resource, accounting and management reporting system (SHARE) project;
- the MAGnet project – a statewide intranet for use by state agencies;
- the MAGPortal project – a single online site for accessing state services and information;
- IT enterprise security
- IT in public schools and higher education;
- homeland security IT issues;
- identity management and security; and
- various other agency-specific IT projects.

The ITOC held six meetings. A joint meeting was held in September with the Los Alamos National Laboratory Oversight Committee to discuss homeland security issues. In October, ITOC members were invited to attend the Legislative Finance Committee (LFC) Audit & Computers subcommittee meeting to discuss various IT-related issues. Members of the ITOC were also invited to attend a forum in December designed to provide IT professionals and legislators with information on issues relating to open source versus proprietary software.

One issue of particular concern to the ITOC was the lack of an enterprise-wide IT inventory asset management system. The Office of the CIO made numerous presentations on the status of asset management but little progress has been made. The CIO indicated that \$350,000 had been requested for an IT asset management system but only \$50,000 was appropriated, an amount apparently insufficient to make significant progress or to obtain an appropriate asset management tool. The ITOC members emphasized to the CIO and the IT Commission chairman

the importance of asset management as part of IT consolidation and the mandates of the Information Technology Management Act.

The ITOC also received a briefing on the Legislative Information System strategic plan. The plan included discussion of security, wireless access in the capitol, laptops, a pilot project for legislative information and other development and maintenance initiatives. The ITOC members emphasized the importance of retaining separate oversight and control of executive, judicial and legislative IT systems, while acknowledging that there are appropriate areas for coordination.

The ITOC considered various legislative proposals. However, a committee meeting after the open source forum to discuss legislation was canceled for lack of a quorum. The committee considered various recommendations for legislation throughout the session:

- asset management funding;
- telephone lines for rural areas;
- Procurement Code revisions specific to New Mexico small businesses;
- privacy and security of social security numbers;
- extending public record provisions for state agencies to county and municipality databases; and
- various funding requests that will be incorporated into the general appropriation for the next session.

Revised: June 14, 2004

**TENTATIVE AGENDA
for the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

***June 16, 2004
Room 309, State Capitol**

Wednesday, June 16

1:30 p.m. CALL TO ORDER

1:35 p.m. WORK PLAN AND MEETING SCHEDULE DEVELOPMENT
—Ralph Vincent, Committee Staff, Legislative Council Service (LCS)
—Raul Burciaga, Committee Staff, LCS

3:30 p.m. ADJOURNMENT

* The Legisletter published on June 10 shows a start time of 10:00 a.m. The 1:30 p.m. start time is correct.

**MINUTES
of the
FIRST MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**June 16, 2004
Room 309, State Capitol
Santa Fe**

The first meeting of the Information Technology Oversight Committee for the 2004 interim was called to order by Senator Richard C. Martinez, chair, on June 16, 2004 at 1:45 p.m. in Room 309 of the State Capitol.

PRESENT

Sen. Richard C. Martinez, chair
Rep. Debbie A. Rodella, vice chair
Rep. Janice E. Arnold-Jones
Sen. Linda M. Lopez
Rep. Luciano "Lucky" Varela

ABSENT

Sen. Mark Boitano
Rep. Rory J. Ogle
Sen. William H. Payne

Advisory members

Sen. Rod Adair
Sen. Steve Komadina
Rep. Jeannette O. Wallace

Rep. Ted Hobbs

Staff

Raul E. Burciaga
Ralph Vincent
Kathleen Dexter

Guests

The guest list is in the meeting file.

Copies of all written testimony are in the meeting file.

Wednesday, June 16

The committee initially convened as a special subcommittee; a sufficient number of voting members subsequently arrived to constitute a quorum.

WORK PLAN, MEETING SCHEDULE AND BUDGET

Raul Burciaga and Ralph Vincent, both of the Legislative Council Service, presented a proposed work plan, meeting schedule and budget for the 2004 interim. In addition to the topics included in the work plan under the committee's statutory charge, members requested that the

following be addressed:

- security of the state's information technology (IT) system, including homeland security issues;
- the adverse effect of the state's inability to tax internet transactions;
- ways to supplement state revenues to compensate for unfunded federal mandates;
- the IT consolidation plan, who monitors the implementation and whether all agencies are being included;
- the wireless access initiative;
- an inventory of the state's IT assets;
- the cost and feasibility of having permanent computers on the floor during sessions with the ability for legislators to annotate bills on screen;
- the role of the chief information officer (CIO); and
- the workings and effectiveness of the Information Technology Commission (ITC).

Moirá Gerety, CIO, and Herb Pitts, member of the ITC, explained to the committee that the ITC did not vote on a new chair at its latest meeting because the leading candidate withdrew due to a perceived conflict of interest. The ITC plans to have a new candidate by its next meeting, which is scheduled for July 20.

The committee chose the following dates and locations for its 2004 meeting schedule:

July 27	Santa Fe
August 23-24	Socorro
September 17	Los Alamos (joint meeting with the Los Alamos National Laboratory Oversight Committee)
October 25	Albuquerque
November 8	Santa Fe

On motion duly made, seconded and approved, the committee adjourned at 2:45 p.m.

**TENTATIVE AGENDA
for the
SECOND MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**July 27, 2004
Room 309, State Capitol
Santa Fe**

Tuesday, July 27

10:00 a.m.	CALL TO ORDER — Senator Richard C. Martinez, Chairman
10:05 a.m.	APPROVAL OF MINUTES
10:10 a.m.	STATUS REPORT BY THE STATE CHIEF INFORMATION OFFICER — Moira Gerety, Chief Information Officer (CIO)
11:15 a.m.	STATUS REPORT BY THE CHAIRMAN OF THE INFORMATION TECHNOLOGY (IT) COMMISSION — Carroll Cagle, President, Cagle and Associates, Inc.
12:00 noon	LUNCH
1:15 p.m.	REPORT ON THE STATE IT CONSOLIDATION PLAN — Marcia Martinez, Project Director
2:15 p.m.	REPORT ON THE SHARE PROJECT — Anthony Armijo, Director, Financial Control Division, Department of Finance and Administration
3:00 p.m.	REPORT ON THE MAGNET PROJECT — John Martinez, Communications Director, General Services Department — Jody Blest, Contractor, Office of the CIO
3:30 p.m.	REPORT ON THE MAGPORTAL PROJECT — Noemi DeBodisco, CIO, Taxation and Revenue Department
4:00 p.m.	PUBLIC COMMENT
4:15 p.m.	ADJOURN

**MINUTES
of the
SECOND MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**July 27, 2004
Room 309, State Capitol
Santa Fe**

The second meeting of the Information Technology (IT) Oversight Committee for the 2004 interim was called to order by Senator Richard C. Martinez, chair, on July 27, 2004 at 10:20 a.m. in Room 309 of the State Capitol.

PRESENT

Sen. Richard C. Martinez, chair
Rep. Debbie A. Rodella, vice chair
Rep. Janice E. Arnold-Jones
Sen. Linda M. Lopez
Rep. Rory J. Ogle
Rep. Luciano "Lucky" Varela

ABSENT

Sen. Steve Komadina
Sen. William H. Payne

Advisory Members

Sen. Rod Adair
Rep. Ted Hobbs
Rep. Jeannette O. Wallace

Sen. Mark Boitano

Staff

Raul E. Burciaga
Ralph Vincent
Kathleen Dexter

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

Tuesday, July 27

The committee initially convened as a special subcommittee. When a sufficient number of voting members subsequently arrived to constitute a quorum, the minutes from the June 16, 2004 meeting were approved upon motion duly made, seconded and passed without objection.

STATUS REPORT BY THE CHIEF INFORMATION OFFICER

Moirá Gerety, chief information officer (CIO), gave an update on work in progress at the Office of the CIO (OCIO). The OCIO's major efforts include working with the IT Commission (ITC) on strategic planning, architecture, project oversight and resource management, as well as providing general support to the commission; providing oversight for IT initiatives in all state agencies; and overseeing implementation of the governor's IT agenda. On questioning from the committee, Ms. Gerety reported that:

- an IT asset inventory will be complete by the end of August;
- the OCIO's role is oversight, not implementation;
- the Department of Finance and Administration (DFA) has a savings capture plan for pulling IT funds appropriated to various agencies and redirecting them to the general fund;
- de facto standards are used as a way to prioritize IT projects and address the most pressing issues first;
- the OCIO does not impose state standards on agency IT purchases made with federal money when the funding specifies a certain platform; and
- recent virus attacks were handled effectively by the message labs filter, and the General Services Department (GSD) server was not affected.

STATUS REPORT BY THE CHAIR OF THE ITC

Carroll Cagle, newly elected chair of the ITC, gave some background on himself and his work in public-private endeavors, and stated that one of the main tasks in the consolidation process is to move the state away from agency fiefdoms and into an integrated system. One step will be to introduce project management throughout the consolidation, as is common in the private sector. Herb Pitts, vice chair of the ITC, stressed the importance of communication throughout the consolidation process, not only among state entities but also to the general public. Questions from committee members focused on possible overlap in duties and authority between the OCIO and the ITC. While Mr. Cagle described the role of the ITC as being similar to a corporate board of directors concerned with broad policy issues, he acknowledged a certain amount of overlap between the ITC, the OCIO, the CIO and committees concerned with IT.

Representative Varela requested an attendance list of all ITC members for all meetings during the past year and a work plan for each OCIO employee, both to be provided by the CIO.

REPORT ON THE STATE IT CONSOLIDATION PLAN

Marcia Martinez, IT consolidation project director, gave an update on phases completed and those under way since the project received approval in April. She explained the hierarchy established across agencies for the project and noted that five of seven core technical domain team leaders have been named. In addition, Ms. Martinez presented an inventory of consolidation resources and an accounting of project budget and expenditures to date. Questions and discussion following her presentation concerned the need for the DFA to validate the savings projected from consolidation and to establish a process for reappropriating those funds.

REPORT ON THE SHARE PROJECT

Anthony Armijo, director of the Financial Control Division of the DFA, gave an update on the statewide human resource, accounting and management system (SHARE) project, which will integrate and standardize human resource and accounting systems across state agencies. He presented a draft procurement management plan for the project, which included a detailed blueprint and master index for all components of the final software package based initially on a framework from the 97 government best practices standards and expanded by the SHARE project team to meet specific agency needs. Mr. Armijo stated that the \$20 million appropriated to the SHARE project is significantly less than that being spent by other states for similar software integration efforts and noted that the current SHARE blueprint will have to be condensed to stay within budget. General discussion among committee members centered on concerns that end users be involved in the design process early; that due diligence be taken without delaying project completion; and that while both the human resource and the accounting components of the state's current system are obsolete, the human resource component is more critical and should be upgraded separately.

REPORT ON THE MAGNET PROJECT

Jody Blest, MAGnet project manager, and John Martinez, communications director for the GSD, gave a historical overview and status report on MAGnet. The project, which establishes a statewide intranet for use by state agencies, is 100 percent complete in Carlsbad and approximately 70 percent complete in other urban areas of the state. Savings realized from the data circuit conversion phase of the project total approximately \$650,000 to date, and Ms. Blest anticipates greater savings in 2005 and 2006 as the network is optimized and extended. On questioning from the committee, she explained that previous appropriations to MAGnet have gone through the OCIO and that future appropriations will go through the DFA.

Representative Rodella requested a list of cities included in the installation contract held by Oso Grande Technologies, to be provided by Ms. Blest.

REPORT ON THE MAGPORTAL PROJECT

Noemi De Bodisco, CIO for the Taxation and Revenue Department (TRD), gave an update on the state's efforts to provide a single online site for accessing state services and information, known as MAGPortal. After the project was initiated in the OCIO during the previous administration, the TRD was named as the lead project agency beginning in FY05 and will work in conjunction with the GSD. Ms. De Bodisco listed the main points for consideration as the project continues, including the need to establish a stable project funding mechanism; questions regarding what data to make available to whom; the security of data and of the state IT system; and decoupling constituent services from constituent data. Discussion among committee members concerned ways to offset costs, including charging access or convenience fees, and the need for public hearings prior to any policy or legislative changes that would make personal data available to third party commercial entities.

On motion duly made, seconded and passed without objection, the committee adjourned at 3:20 p.m.

APPENDIX
Update of Ongoing IT Issues

Asked of the CIO:

What is the status of the inventory of IT assets?

Response:

The inventory will be complete by the end of August.

Revised: August 20, 2004

**TENTATIVE AGENDA
for the
THIRD MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**August 23-24, 2004
Galena Room, Macy Center
New Mexico Tech
Socorro**

Monday, August 23

10:00 a.m.	CALL TO ORDER —Senator Richard C. Martinez, Chairman
10:05 a.m.	WELCOME —Dr. Daniel H. Lopez, President, New Mexico Tech
10:15 a.m.	APPROVAL OF MINUTES
10:20 a.m.	STATUS REPORT BY THE STATE CHIEF INFORMATION OFFICER —Moirá Gerety, Chief Information Officer (CIO)
11:00 a.m.	STATUS REPORT BY THE CHAIRMAN OF THE INFORMATION TECHNOLOGY (IT) COMMISSION —Carroll Cagle, President, Cagle & Associates, Inc.
11:45 a.m.	LUNCH
1:15 p.m.	IT ENTERPRISE SECURITY —Srinivas Mukkamala, Research Assistant, New Mexico Tech
3:15 p.m.	NEW MEXICO TECH CYBER PROTECT CONCEPT —Teresa Hall, Associate Director, ICASA
4:00 p.m.	PUBLIC COMMENT
4:15 p.m.	OTHER COMMITTEE BUSINESS
4:30 p.m.	RECESS

Tuesday, August 24

9:00 a.m.	CALL TO ORDER —Senator Richard C. Martinez, Chairman
9:10 a.m.	IT IN THE PUBLIC SCHOOLS —Michelle Lewis, Public Education Department
10:00 a.m.	IT IN HIGHER EDUCATION — COUNCIL OF HIGHER EDUCATION COMMUNICATION SERVICES —Bob Tacker, Director of Information Services, New Mexico Tech
11:00 a.m.	STAFF UPDATE — OTHER COMMITTEE BUSINESS
11:30 a.m.	ADJOURN

**MINUTES
of the
THIRD MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**August 23-24, 2004
Galena Room, Macy Center
New Mexico Institute of Mining and Technology
Socorro**

The third meeting of the Information Technology (IT) Oversight Committee for the 2004 interim was called to order by Senator Richard C. Martinez, chair, on August 23, 2004 at 10:15 a.m. in the Galena Room of the Macy Center at New Mexico Institute of Mining and Technology (NM Tech) in Socorro.

PRESENT

Sen. Richard C. Martinez, chair
Rep. Debbie A. Rodella, vice chair
Rep. Janice E. Arnold-Jones (8/23)
Sen. Linda M. Lopez (8/23)

ABSENT

Sen. Steve Komadina
Rep. Rory J. Ogle
Sen. William H. Payne
Rep. Luciano "Lucky" Varela

Advisory Members

Sen. Rod Adair (8/24)
Rep. Ted Hobbs
Rep. Jeannette O. Wallace

Sen. Mark Boitano

(Attendance dates are noted for those members not present for the entire meeting.)

Staff

Raul E. Burciaga
Kathleen Dexter

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

Monday, August 23

Dr. Daniel Lopez, president of NM Tech, welcomed the committee to Socorro and gave a brief overview of NM Tech's Institute of Complex Additive Systems Analysis (ICASA), which is currently funded entirely with federal dollars. Dr. Lopez stated that he will request funding from the legislature in the 2005 session to continue and expand ICASA's work.

STATUS REPORT BY THE CHIEF INFORMATION OFFICER

Moir Gerety, chief information officer (CIO), gave an update on work at the Office of the CIO (OCIO), including progress on the governor's IT consolidation initiative; enterprise licensing; disaster recovery and business continuity; project management; e-government; and implementation of the governor's executive order regarding agency compliance and the infrastructure freeze. The OCIO continues to assist the Information Technology Commission (ITC) in its transition to a new commission chair and oversees agency IT projects and purchasing. The OCIO has had some personnel changes occur simultaneously with a budget shortfall of approximately \$50,000, which may cause a delay in filling the open positions. In general questioning and discussion among committee members, Ms. Gerety noted that:

- constituent concerns regarding personal data should be directed to the agency collecting the data, e.g., the Motor Vehicle Division (MVD), rather than to the OCIO;
- the state email contract was awarded to Microsoft because the state needed an "easy win" in its consolidation initiative, and 70 percent of state email users are already using Microsoft Outlook; in addition, Secretary of General Services Ed Lopez has stated that while the contract was portrayed in the media as a "sole source purchase", it is in compliance with the Procurement Code;
- email rates published by the General Services Department will remain high until the state mandates agency participation and the number of users increases;
- the OCIO needs an asset management tool to accurately complete the asset inventory in progress;
- in prioritizing IT projects, the OCIO gives primary attention to those considered to be high risk, such as the SHARE project, followed by those projects considered to have a strategic impact, such as the MAGPortal project;
- not all agency IT expenditures are being reported to the OCIO;
- the state has saved approximately \$19.3 million through its IT consolidation efforts, and a savings of \$30 million is possible over the course of this administration; and
- certain state IT personnel are leaving for the private sector because state budgets for their positions do not match market rates.

Stephen Easley, deputy chief information officer, informed the committee that a study conducted last year revealed major security flaws in state buildings that house data. Since there is no budget to construct a data center, he suggested that the state consider leasing storage space for its data at the Laguna Systems Data Center outside of Albuquerque.

Representative Rodella requested a portfolio of IT projects under the OCIO's oversight and a listing of the six agencies exempted from the governor's IT consolidation initiative, both to be provided by the OCIO. Representative Arnold-Jones requested copies of project summaries provided to the Legislative Finance Committee and suggested that the chair consider requesting an opinion from the attorney general on the email contract awarded to Microsoft.

STATUS REPORT BY THE CHAIR OF THE ITC

ITC Chair Carroll Cagle, accompanied by ITC members Mark Duran and Rick Ulibarri, reported on the most recent ITC meeting, at which commissioners approved directory access protocol funding and the issuance of a corporate vendor request. Mr. Cagle noted that a white paper recently issued by the Taxation and Revenue Department regarding the MAGPortal project addresses the issue of separating access to services from access to data. In general discussion and questioning, committee members expressed concerns regarding data mining, a topic that is being addressed by the ITC; the lack of both state and federal restrictions of the use of social security numbers; and the need for public input prior to November on the use or sale of personal data by the MVD.

IT ENTERPRISE SECURITY

Srinivas Mukkamala, research assistant at NM Tech, gave a presentation on the critical need to secure data and IT systems from both external and internal attacks by hackers. He described the evolution in IT systems from organization-specific systems, which were relatively safe from attack due to their isolation, to the highly interconnected systems seen today, which are vulnerable to attack via the internet. Even with this vulnerability, Mr. Mukkamala noted that most hacker attacks are internal, as was the case in a recent attack on a state agency by a former employee. Most attacks are also merely probing attacks, but these may be efforts to gather information for later destructive attacks. He stressed the need for layers of security integrated at every step of IT system development. General discussion among members centered on the need for better data security and for user training on security measures to prevent inadvertent release of data or introduction of viruses into the state system.

NEW MEXICO TECH CYBER PROTECT CONCEPT

Teresa Hall, associate director of ICASA, and Daryl Ackley and Eric Alsheimer, also of ICASA, described the institute's mission as taking an interdisciplinary approach to researching social and computer networks and analyzing the interactions between them, with the goal of identifying system vulnerabilities. In addition to its research mission, ICASA also conducts outreach programs on IT system security provided through distance education training modules that are adapted to the various locations, expertise and education levels of those using IT systems around the state. The institute is pursuing a \$12 million federal grant to look at behavioral and psychological aspects of hacker attacks and will request state funding for information system protection and assessments by the New Mexico Tech Cyber Protect Force. Ms. Hall noted that both the federal government and the state have provided scattered funding for IT security projects, and she stressed the need to strengthen security efforts through centralized and collaborative funding. She also stated that one of ICASA's goals is to become self-sustaining by providing analysis services to the private sector. In general discussion, committee members noted that the Legislative Council is the body to approve security and intrusion tests on the legislative IT system, but obtaining permission may be difficult; the federal Department of Energy provides IT security training for governmental agencies, but NM Tech should be the one to provide the training; and funding for IT security training was vetoed in the General Appropriation Act of 2004.

The committee recessed at 4:10 p.m.

Tuesday, August 24

The committee reconvened at 9:05 a.m.

IT IN THE PUBLIC SCHOOLS

Michelle Lewis, education technology coordinator for the Public Education Department, gave a presentation on statewide education technology initiatives funded through the Education Technology Fund, the federal Enhancing Education Through Technology program and the governor's Laptop Learning Initiative (LLI). Under the LLI, seventh grade students at certain schools around the state are given laptop computers to keep until they graduate from high school; one measure of the success of this program, which also includes free computer classes for parents, is that participating students have been reluctant to leave the school grounds and the range of the installed wireless internet network at the end of the day. Ms. Lewis reported that New Mexico's education technology in general compares well to surrounding states and the nation as a whole, with fewer students per instructional or internet-connected computer than the national average in both classrooms and computer labs. On general questioning from committee members, Ms. Lewis noted that schools were chosen for the LLI by an external review committee that evaluated proposals based on existing infrastructure and support, and pilot sites were chosen by the governor; some schools are considering a sophomore upgrade for laptops and an auction upon graduation; charter schools are eligible for funding through the Education Technology Fund but private schools are not; and capital outlay appropriations for education technology in rural areas are an attempt to equalize funding opportunities across school districts.

Representative Rodella requested a list of charter schools receiving education technology funding, to be provided by Ms. Lewis, and directed committee staff to research past efforts and possible legislation to make private schools eligible for this funding.

IT IN HIGHER EDUCATION

Bob Tacker, director of information services at NM Tech, gave a presentation on the New Mexico Council for Higher Education Computing and Communication Services (CHECS), a nonprofit corporation consisting of representatives from the computer services divisions of all but one of the institutions of higher education in the state. While the technical assistance and advocacy services provided by CHECS benefit institutions statewide, the organization cannot currently receive state funding directly and must rely on a volunteer institution to act as its fiscal agent. In general discussion, it was noted that CHECS projects might be funded through the regional education cooperatives, which are included in the general appropriation act each session.

Representative Rodella directed committee staff to prepare draft legislation to fund CHECS' statewide learning management system and net core infrastructure upgrade projects.

Having no further business to conduct, the committee adjourned at 10:00 a.m.

APPENDIX
Update of Ongoing IT Issues

Asked of the CIO:

What is the status of the inventory of IT assets?

Response:

The initial reports received from state agencies were not "clean" and results could not be tallied due to variations in responses. The inventory will be more of a challenge than was anticipated and the OCIO needs an asset management tool in order to complete it accurately.

Revised: September 10, 2004

**TENTATIVE AGENDA
for the
JOINT MEETING
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
and the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**September 17, 2004
Room 203, Los Alamos Research Park
Los Alamos**

Friday, September 17

10:00 a.m.	CALL TO ORDER WELCOME TO LOS ALAMOS —Jim West, Los Alamos County Councilor
10:05 a.m.	STATE OF THE LABORATORY —G. Peter Nanos, Laboratory Director
11:00 a.m.	NM STATE HOMELAND SECURITY PROGRAM —David P. Albright, Office of Homeland Security —Stephen Easley, Deputy Chief Information Officer
12:00 noon	LUNCH
12:30 p.m.	LANL CENTER FOR HOMELAND SECURITY (CHS) OVERVIEW —J. Wiley Davidson, Director, LANL CHS
1:00 p.m.	LANL CHS STATE AND LOCAL EFFORTS WITHIN NEW MEXICO —Ron Dolin, Technical Chief of Staff, LANL CHS
1:15 p.m.	RADIATION AND NUCLEAR THREAT REDUCTION (WITH TECHNICAL DEMONSTRATION) —Greg Van Tuyle, Associate Director, LANL CHS —Mark Abhold, Staff Member, LANL CHS
1:45 p.m.	CHEMICAL AND BIOLOGICAL THREAT REDUCTION (WITH TECHNICAL DEMONSTRATION) —Gary Resnick, Associate Director, LANL CHS

2:15 p.m.	INFRASTRUCTURE MODELING AND SIMULATION (WITH TECHNICAL DEMONSTRATION) —Wayne Hardie, Staff Member, LANL CHS
2:45 p.m.	REACHBACK PROGRAM —Fred Roach, Reachback Coordinator
3:00 p.m.	COMMITTEE DISCUSSION AND QUESTIONS
3:15 p.m.	OTHER COMMITTEE BUSINESS
3:30 p.m.	ADJOURN

MINUTES
of the
JOINT MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE
and the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE
September 17, 2004
Los Alamos Research Park
Los Alamos

The Information Technology (IT) Oversight Committee (ITOC) and the Los Alamos National Laboratory (LANL) Oversight Committee held a joint meeting on September 17, 2004. The meeting was called to order by Representative Roberto "Bobby" Gonzales, co-chair of the LANL Oversight Committee, at 10:00 a.m. in Room 203 of the Los Alamos Research Park in Los Alamos.

PRESENT

ITOC:

Rep. Debbie A. Rodella, vice chair
Rep. Janice E. Arnold-Jones
Sen. Linda M. Lopez
Rep. Rory J. Ogle
Rep. Luciano "Lucky" Varela

LANL Oversight Committee:

Rep. Roberto "Bobby" J. Gonzales, co-chair
Sen. Phil A. Griego, co-chair
Rep. Thomas A. Anderson
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Advisory Members

ITOC:

Sen. Rod Adair
Rep. Jeannette O. Wallace

LANL Oversight Committee:

Rep. Ben Lujan
Rep. Jeannette O. Wallace

Staff

Raul E. Burciaga and Kathleen Dexter for ITOC
Jonelle Maison and Sarah Salazar for LANL Oversight Committee

ABSENT

ITOC:

Sen. Richard C. Martinez, chair
Sen. Steve Komadina
Sen. William H. Payne

LANL Oversight Committee:

Sen. William E. Sharer

ITOC:

Sen. Mark Boitano
Rep. Ted Hobbs

LANL Oversight Committee:

Sen. Richard C. Martinez
Sen. William H. Payne

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

Friday, September 17

Jim West, Los Alamos county councilor, welcomed the committees to Los Alamos and spoke of efforts on the part of local governments to address transportation issues on a regional basis. He mentioned that the state's first regional transportation district had recently been certified in Belen and that other districts in the state are seeking certification as well.

STATE OF THE LABORATORY

Admiral Peter Nanos, LANL director, gave an update on events at the lab, including his decision to suspend all operations in the wake of a safety incident involving a student injury and an incident in which removable electronic media containing classified data turned up missing. Admiral Nanos felt that the shutdown, which was unprecedented for Department of Energy (DOE) facilities, was necessary to allow the lab to conduct a thorough assessment of risk within its operations and contracts. At this time, 70 percent of the lab's work force has returned to normal operations, and the projected date for resumption of full operations throughout LANL is the first week of October. Major changes as the lab starts up include a significant reduction of the number of classified removable electronic media (CREM) used by lab employees and the creation of classified media libraries in which all lab media will be stored. Personnel staffing the media libraries will be fully trained in security measures and will qualify for a career ladder, as do employees in other crafts within LANL. Certain employee benefits and policies, such as flex time, were suspended with the shutdown but will be reestablished once the lab returns to full operations and after consultation with community representatives to determine what schedules work best for employees and surrounding communities.

On questioning from committee members, Admiral Nanos stated that:

- lab contracts stipulate that all employees will be paid, regardless of the shutdown;
- all crafts are back at work, though not at the same number of hours as during normal operations;
- no disciplinary measures were taken in May following an inventory discrepancy on removable media because the lab could not ensure the accuracy of the inventory; however, following the more recent incident involving CREM, several employees were either placed on administrative leave, terminated, suspended or reprimanded based on their actions in the work place;
- \$4 million in savings from reduced overhead costs in recent years is now being spent on LANL's new media storage system, which will reduce the lab's inventory of media from tens of thousands to a few thousand in the next year;
- lab employee morale is at a historic low point, in part because of the recent shutdown and also due to concerns about the security of jobs and benefits as the lab's contract comes up for bid; the new position of chief science officer has been created in part to

- address employee morale issues; UC has brought the lab through difficult times before and DOE should credit the transformation of the lab and its demonstrated progress;
- recent events at LANL might affect the lab's ability to get non-DOE contracts, which currently account for 25 percent of the facility's revenue;
 - the decision to shut down the entire lab was made because there had been such a varied lead-up of problems over the past two years there was no way to know where the next problem would appear; he has received supportive feedback for the decision at the federal level as well as from employees and community members;
 - all of the lab's construction contracts will be back in full operation by October; some construction contracts were not suspended with the lab shutdown because the contractors, e.g., Hansel Phelps, had a better national safety record than the lab;
 - LANL reviews each contractor's self-reported safety record, which is submitted to a national review body; safety performance incentives are now included in all lab contracts;
 - there were approximately 8,000 employees at LANL when he became the director, with a slight increase in that number now due to contract positions being converted to employee status;
 - the lab is not anywhere near a reduction in force; "it is not in the wind at all";
 - he does not want to create a climate of fear with the one-on-one safety assessments but to identify which employees need training or mentoring;
 - the number of retirements did not seem to be more than usual; and
 - the lab has memoranda of understanding with all the major universities and he has met with Northern New Mexico Community College on creating an educated local work force for the lab.

Representative Rodella requested a list of current construction contracts at LANL showing which ones are back in operation and which are not, as well as totals on the current number of lab employees and the number of contract employees converted to UC employees, all to be provided by LANL. Speaker Lujan requested the following: information on the number of retirees this year in contrast to previous years and information on the security clearances required in lab contracts, to be provided by LANL. Admiral Nanos agreed to investigate allegations that Midwest Drywall, doing work at LANL, is violating nationally mandated contract provisions requiring workers' compensation, federal withholding and social security payments.

STATE HOMELAND SECURITY PROGRAM

David P. Albright, chief of staff of the Governor's Office of Homeland Security (GOHS), gave a presentation on information security projects in state agencies. Joining Mr. Albright for the presentation were Dr. Stephen Easley, GOHS deputy director for information security, Thure Meyer, chief information officer (CIO) for the General Services Department (GSD), Veronica Chavez-Neuman, CIO for the Department of Public Safety (DPS), Timothy McKenzie, DPS, and Tim Manning, state director of emergency management. Two major initiatives within the GOHS are a statewide highway incident management plan and a school bus driver security training program, the latter being the first security program for school bus drivers implemented in the country. Border security and solving communication problems between legacy software systems

are two current projects within the OCIO, and the GSD is addressing information security by assessing control and physical security at the Simms Data Center and through the successful implementation of an email message filtering system. DPS is participating in several efforts to share law enforcement information, including a Department of Defense project for sharing criminal information among border states, and has taken a leading role in establishing the Justice Portal through the Criminal Justice Information Management Team.

On questioning from committee members, the presenters stated that:

- prior to the establishment of the highway incident management plan, the state had no standard for the amount of time it takes to clear a highway obstruction;
- all school bus drivers in the state are required to take the security training, which is conducted in cooperation with the Public Education Department;
- the state police laptop communication project is approximately 80 percent implemented, but more funds are needed before it can be complete;
- while the GOHS and DPS are consulting with one another on recent bomb threat incidents in schools, these incidents are essentially a law enforcement issue;
- the director of homeland security and the governor have scheduled a meeting to discuss the organizational structure for a cabinet-level office of homeland security (OHS) to be established in statute;
- agency representatives will be meeting with the GOHS in October to compile a list of assets as part of a state vulnerability assessment; an inventory of IT assets will be generated as part of this process and will be available to ITOC;
- New Mexico is the first state to set a standard for security training for state employees, following a curriculum developed with federal cooperation; the private sector will be invited for training at a later time;
- language needs to be added to regulations and statutes to protect the state's data;
- DPS has a security training program for rural and volunteer firefighters;
- the responsibility for state IT security was originally with the OCIO but is now being reconsidered following Dr. Easley's transfer to the GOHS;
- corrective actions as a result of last year's study on IT security and intrusions include development of an IT resource usage policy distributed to and signed by all state employees, enterprise licensing and installation of message filtering software that has reduced the spam rate to nearly zero;
- although compliance with new security policies has been very good, 193 violations have occurred since the policies were adopted;
- the DPS policy for passwords, which includes penalties for noncompliance, will be submitted soon to the IT Commission (ITC) for review and public hearing prior to being adopted by all state agencies;
- \$350,000 was requested by the OCIO in the 2004 session to purchase an asset management tool and \$50,000 was appropriated; the money has not yet been spent;
- two federally funded projects are under way to develop interoperability in the state's IT architecture for better communication between agencies;
- federal funding for IT security is inadequate, and the governor feels it is not correctly

- allocated to rural states; and
- the IT asset inventory is taking a long time because planning and funding in state government takes a long time; IT security is critical to homeland security, and the new OHS would define mission criticality for the state's IT systems and prioritize asset replacement decisions based on that definition.

Committee members discussed the need to include the state defense force in homeland security matters; the fact that New Mexico Tech has been contracted to conduct a risk and security assessment for the state; the possibility of establishing a regional security training center at the old state penitentiary; the possibility that the OCIO is being overloaded with responsibilities; problems communicating with state agencies online because of the filtering system and the difficulty of getting "okayed" by the system; the Department of Finance and Administration's suggestion that agencies ignore the Legislative Finance Committee's request for information on IT requests; the need for better control on use of state communication systems by state employees; and the need to mesh GOHS efforts with federal and local efforts already in place.

Representative Varela requested that committee staff draft legislation to define and establish an OHS based on a review of similar agencies in neighboring states, and Representative Ogle suggested that the responsibility for IT security issues be moved to the OHS. Representative Ogle also requested a presentation by the CIO at the next ITOC meeting on the status of the \$50,000 appropriation for asset management. Mr. Albright agreed to provide committee members with a description of the structure of the proposed OHS; regulations and policies already in place regarding the GOHS; a list of agency representatives working with the GOHS; and information on the DPS training program for rural firefighters. Rick Ulibarri of the ITC stated that he would make a presentation to ITOC on the governor's review of the LANL asset management tool.

LANL CENTER FOR HOMELAND SECURITY PRESENTATIONS

J. Wiley Davidson, director of the LANL Center for Homeland Security (CHS), gave an overview of the programs within the CHS, which was established in 2002 as part of the non-weapons national security mission at the lab. The center serves as the primary point of contact for the national Department of Homeland Security and consists of three divisions focused on radiological and nuclear threat reduction; borders, information and infrastructure protection; and chemical and biological threat reduction.

Ron Dolin, LANL CHS technical chief of staff, spoke about the center's participation in state and local homeland security initiatives, including the Anti-Terrorism Council, Border Security Task Force, Surety Task Force, Innovative Threat Assessment Team and InfraGard. The center has conducted several table top exercises in conjunction with DPS and the GOHS to assess the state's ability to respond to possible attack scenarios, such as an outbreak of infectious disease, simultaneous terrorist attacks in Albuquerque, Los Alamos and Las Cruces or an event involving weapons of mass destruction. CHS has also been conducting training for first responders and has hosted homeland security conferences around the state. On questioning from

committee members, Mr. Dolin stated that a vulnerability assessment was conducted at LANL just after September 11, 2001 and that executive summaries from the table top exercises might be available for review.

Greg Van Tuyle and Mark Abhold, CHS Radiation and Nuclear Threat Reduction Center associate director and technical staff member, respectively, explained traditional proliferation pathways for radiological and nuclear threats and corresponding nonproliferation strategies in place at LANL. They demonstrated the CZT Spectrometer, a device developed at LANL to detect and identify radioactive materials and to determine whether the materials pose a threat or are considered "innocent". On questioning from committee members, the presenters noted that the CZT Spectrometer is based on the Palm Pilot because it is powerful and commercially available; the spectrometer's current range is too small to detect radiation passing by on a vehicle; and while some drugs have a radioactive element and marijuana will set it off, the spectrometer is not designed to detect or identify drugs.

Gary Resnick, CHS Chemical and Biological Threat Reduction Center associate director, spoke of the chemical and biological threats present in the world today, 40 years after United States officials declared that infectious disease had been "beaten". He stated that there have been technical advances in chemical and biological threat reduction through research conducted at LANL, Sandia National Laboratories, the University of New Mexico and Lovelace Respiratory Research Institute (LRRI) but that resources are not available for developing the technologies. Mr. Resnick demonstrated an aerosol collector designed at LRRI that analyzes airborne pathogens and stated that the next generation of the device will be significantly smaller, perhaps hand-held, and will be capable of detection and analysis in less than one minute.

Wayne Hardie and Jim Doyle, CHS Borders, Information and Infrastructure Protection Center associate director and technical staff member, respectively, presented an animated model and simulation based on possible disruptions to the transportation, energy and communication infrastructures in Portland, Oregon. In addition to assessing infrastructure vulnerabilities, models such as the study presented can be used to predict the spread of infectious diseases in urban areas. On questioning from committee members, the presenters noted that while modeling can be used to assess communication patterns, they cannot be used to intercept particular communications; LANL is developing a model based on wildfires; pipelines and electricity are modeled together within an energy infrastructure; and the cost of doing an infrastructure model for the Espanola area would exceed \$100,000.

Fred Roach, acting CHS Reachback coordinator, explained the goal of the Reachback program as bringing LANL resources, expertise and technologies to bear on critical issues of national security. Reachback support is available to federal and state agencies, as well as to local entities such as first responder groups. On questioning from committee members, Mr. Roach stated that while LANL studies and models the path of hurricanes, it is not able to predict them; LANL is conducting behavioral modeling as part of its security efforts; and the Reachback program has plans to involve experts in state agencies and to integrate its security efforts with state efforts. He also agreed to provide copies of a diagram of a hurricane to committee

members.

ITOC COMMITTEE BUSINESS

Representative Arnold-Jones requested that the minutes include an itemized accounting of questions asked of the CIO by committee members. Representative Rodella requested a presentation at the next ITOC meeting by a representative from the secretary of state's office on possible voting machine problems in the upcoming election. Representative Arnold-Jones suggested a presentation on the identity compromise issue.

LANL OVERSIGHT COMMITTEE BUSINESS

The minutes of the first and second meetings of the committee were approved as submitted.

The next meeting of the committee will be October 15 in Santa Fe. **Please note that the meeting will begin at 9:00 a.m. rather than 10:00 a.m.** The November meeting is scheduled for November 12. The committee will meet December 13 with California legislators and may meet another day in December to make up for the August canceled meeting.

On motion duly made, seconded and adopted, the meeting was adjourned at 3:05 p.m.

Revised: October 21, 2004

**TENTATIVE AGENDA
for the
FIFTH MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**October 25, 2004
New Mexico Mortgage Finance Authority Office
344 Fourth St. SW
Albuquerque**

Monday, October 25

- | | |
|------------|--|
| 10:00 a.m. | CALL TO ORDER
— Senator Richard C. Martinez, Chair |
| 10:05 a.m. | APPROVAL OF MINUTES |
| 10:10 a.m. | STATUS REPORT BY THE CHAIR OF THE INFORMATION
TECHNOLOGY COMMISSION
— Carroll Cagle, President, Cagle and Associates, Inc. |
| 11:00 a.m. | STATUS REPORT BY THE STATE CHIEF INFORMATION OFFICER
— Moira Gerety, Chief Information Officer |
| 11:45 a.m. | LUNCH |
| 1:15 p.m. | STATEWIDE HUMAN RESOURCE, ACCOUNTING AND
MANAGEMENT REPORTING SYSTEM (SHARE) PROJECT
— Anthony Armijo, Director, Financial Control Division, Department of
Finance and Administration
— Danette Burch, Deputy Secretary, Department of Finance and
Administration |
| 2:15 p.m. | NEW MEXICO LIVESTOCK BOARD — ANIMAL IDENTIFICATION
— ELECTRONIC SYSTEMS ADDRESSING HOMELAND SECURITY
AND GENERAL SAFETY
— Dr. John Romero, New Mexico Livestock Board |
| 3:00 p.m. | COUNTY AUTHORITY TO CHARGE REASONABLE FEES AND
CONTROL ACCESS FOR ELECTRONIC COPIES OF DATABASES
— New Mexico Association of Counties |
| 3:45 p.m. | STAFF UPDATE |
| 4:00 p.m. | OTHER COMMITTEE BUSINESS — PUBLIC COMMENT |
| 4:30 p.m. | ADJOURN |

**MINUTES
of the
FIFTH MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**October 25, 2004
New Mexico Mortgage Finance Authority Office
Albuquerque**

The fifth meeting of the Information Technology (IT) Oversight Committee (ITOC) for the 2004 interim was called to order by Senator Richard C. Martinez, chair, on October 25, 2004 at 10:10 a.m. at the New Mexico Mortgage Finance Authority Office in Albuquerque.

PRESENT

Sen. Richard C. Martinez, chair
Rep. Debbie A. Rodella, vice chair
Rep. Janice E. Arnold-Jones
Sen. Linda M. Lopez
Rep. Luciano "Lucky" Varela

ABSENT

Sen. Steve Komadina
Rep. Rory J. Ogle
Sen. William H. Payne

Advisory Members

Rep. Ted Hobbs

Sen. Rod Adair
Sen. Mark Boitano
Rep. Jeannette O. Wallace

Staff

Raul E. Burciaga
Ralph Vincent
Kathleen Dexter

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

STATUS REPORT BY THE CHAIR OF THE IT COMMISSION (ITC)

Carroll Cagle, chair of the ITC, gave an update on the commission's work and most recent meeting, noting that the body is mainly concerning itself at the moment with issues of process versus content. As chair, he is working to keep the ITC focused on broad policy concerns and leave the ITC committees to address details and operations. Mr. Cagle cited two priorities within the commission: reorganization of the ITC committee structure toward a strategic focus and hosting a forum on the issue of open source versus proprietary software, a topic he described as the single biggest strategic IT issue internationally. The forum, which has not yet been scheduled, will focus on determining best practices for government and will include input from other states on when and how they have used open source solutions. Mr. Cagle was joined by Moira Gerety, state chief information officer (CIO), John Fitter, acting CIO for the General Services Department (GSD), and Dr. Stephen Easley, deputy director for information security at

the Governor's Office of Homeland Security, and on questioning from committee members, they stated that:

- legislators and the Legislative Finance Committee (LFC) are also invited to the forum; the forum will include a discussion on communication between open source and proprietary software; more forums will be scheduled in the future to address other IT issues, including security; and the forum will result in a report that provides guidelines and evaluation criteria for agencies;
- state consolidation of email will not be delayed until after the forum because the CIO is not wanting to stop any IT projects that are already under way;
- the ITC voted to approve the extension for the Microsoft email contract because 70 percent of executive branch state personnel are already using Microsoft;
- open source software is not free — implementation is costly, and no vendor exists for support and maintenance;
- project management is critical for the IT consolidation initiative;
- the key date for switching all executive agencies to Microsoft for email is January 4, 2005, and training has already begun for the transition; the network will be vulnerable during the period when user IDs and passwords are changed because this can only be done while logged on to the network; and if an account is not switched over during the change period, it will be frozen; and
- the governor needs to issue an executive order to require reporting of virus attacks on the state system.

Ed Paz, IT performance auditor for the LFC, relayed LFC concerns that the executive branch is moving ahead with email consolidation without considering available alternatives. He also noted that state IT personnel could be trained to provide open source support rather than relying on outside contractors. Ed Lopez, secretary of general services, agreed to submit a memorandum addressing the LFC's concerns and proposed a joint meeting of the ITC, ITOC, LFC IT Subcommittee and representatives from the National Conference of State Legislatures to discuss the issues. Ralph Vincent of the LCS reported on a nondestructive virus that recently entered the legislative system via its one vulnerability — legislators' laptops — and shut down the system for a day.

Representative Rodella requested a cost comparison between internal IT support for open source email and Microsoft contract vendor support and suggested that the state consult Los Alamos National Laboratory (LANL) IT staff on email consolidation at the lab. Representative Varela requested New Mexico Legislative Council authorization for ITOC members to attend the forum on open source and proprietary software.

STATUS REPORT BY THE CIO

Ms. Gerety gave an update on work in the Office of the CIO (OCIO), including project summaries from nine state agency IT initiatives. Currently, the Human Services Department system compliance with the Health Insurance Portability and Accountability Act is the only project given a "green" rating for completion, while the other eight are rated at either "yellow", to indicate progress with issues still to resolve, or "red", to indicate problems or overdue status. Agency IT funding requests for fiscal year 2006 (FY06) total more than \$87 million, and the OCIO required that certain requests be rewritten because they are multi-agency in nature. Ms. Gerety presented the table of contents from the *Egov* (formerly MagPortal) *Strategic Plan* and

stated that the full document will be completed by December 31, 2004. She also reported that the OCIO is making good progress on a white paper regarding asset management that includes an overview of milestones. On questioning from committee members, Ms. Gerety, who was joined by Secretary Lopez, stated that:

- the unemployment insurance reengineering project in the Labor Department should be fully implemented by April 2005;
- the Egov project is struggling for lack of consensus on what direction to take; the OCIO is planning an Egov summit to include chambers of commerce;
- the GSD IT consolidation initiative has had staffing problems but should be rated "green" by the end of the year;
- GSD does not have the resources to proceed with Egov;
- if IT consolidation is to work, it needs to be self-funding, and one difficulty in consolidation is that agencies do not want to give up their autonomy;
- the governor's office has directed the GSD to be the lead agency in enterprise licensing and asset management;
- auto-discovery tools are good for asset management in a distributed environment but do not provide costs of ownership; asset information needs to be integrated with financial software to track replacement schedules;
- the OCIO will make a presentation to the ITC by November 30 on IT funding recommendations after hearing from all requesting agencies;
- the OCIO collected data from annual agency IT asset inventories on spreadsheets and uploaded it in August; the first reports from that data are coming out now and agencies are requesting copies of those reports; sample reports will be presented at the next ITOC meeting; and
- the OCIO has written a multi-agency IT funding request for an asset management tool; if funding is appropriated, the OCIO will issue requests for proposals ahead of the release of that funding to speed up the process.

STATEWIDE HUMAN RESOURCE, ACCOUNTING AND MANAGEMENT REPORTING SYSTEM (SHARE) PROJECT

Anthony Armijo, director of the Financial Control Division, Department of Finance and Administration (DFA), and Danette Burch, deputy director, DFA, gave an update on the SHARE project that focused on four types of implementation problems identified by the project team and the prerequisites for avoiding those problems. Mr. Armijo noted that the SHARE project addresses \$60 million of agency expectations on a budget of only \$20 million and that the project team met with PeopleSoft to assess what is possible with available resources. The team also met with LANL employees to discuss difficulties the lab faced in implementing a similar project. On questioning from committee members, the presenters stated that:

- the state's payroll system will not last much longer and the possibility exists of a repeat of the incident in 1989 in which state employee paychecks were delayed;
- the cost of the base software for the system is \$1.8 million and the health component is \$500,000;
- project deliverables will be detailed in the final blueprint;
- the payroll and human resources component will be implemented in January 2006 and the accounting component in June 2006; and
- the new system will be flexible enough to meet special agency needs.

In general discussion, committee members voiced concerns that \$20 million might not be enough to implement a state-of-the-art system; the purchasing system should be housed at the state purchasing office; statewide data systems, such as the education accountability system, have had some problems in the past; and if Oracle buys out PeopleSoft, the company might continue supporting the system but not add new functionality.

COUNTY AUTHORITY TO CHARGE REASONABLE FEES AND CONTROL ACCESS FOR ELECTRONIC COPIES OF DATABASES

Tasia Young, legislative liaison for the New Mexico Association of Counties, and Earl Wright, geographic information systems coordinator for Santa Fe County, requested an ITOC endorsement for proposed legislation to amend the Public Records Act to include local government databases in language regulating the use of, access to and fees charged for copying public records. Representative Rodella requested that committee staff prepare the legislation.

STAFF UPDATE, COMMITTEE REQUESTS AND APPROVAL OF MINUTES

Raul Burciaga summarized pending requests from all meetings to date. Representative Hobbs reported that the governor's office is a week late with its report on identity security but that he will provide copies to the committee when it is available. Representative Rodella requested information from the Office of the Attorney General on issuing state contracts in perpetuity. Representative Arnold-Jones requested information on Public Regulation Commission efforts to extend telephone lines and Internet access to rural areas of the state.

On motion duly made, seconded and passed without objection, the minutes from the July 27, August 23-24 and September 17, 2004 meetings were approved. Having no further business, the committee adjourned at 3:00 p.m.

Update on Ongoing IT Issues

Asked of the CIO:

What is the status of the IT asset inventory?

Response:

Every agency is required to submit an annual inventory of IT assets. The OCIO collected this data on spreadsheets and uploaded it in August. The first reports from that data are coming out now from the automated reporting tool and agencies are requesting copies of those reports. Samples of the reports will be presented at the next ITOC meeting. The OCIO has written a multi-agency (C3) IT funding request for an asset management tool.

**TENTATIVE AGENDA
for the
SIXTH MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**November 8, 2004
State Capitol, Room 309
Santa Fe**

Monday, November 8

- 10:00 a.m. CALL TO ORDER
 —Senator Richard C. Martinez, Chairman
- 10:05 a.m. APPROVAL OF MINUTES
- 10:10 a.m. STATUS REPORT BY THE CHAIRMAN OF THE INFORMATION
 TECHNOLOGY COMMISSION
 —Carroll Cagle, President, Cagle & Associates, Inc.
- 10:30 a.m. STATUS REPORT BY THE STATE CHIEF INFORMATION OFFICER
 —IDENTITY MANAGEMENT AND SECURITY — ASSET
 MANAGEMENT
 —Moira Gerety, Chief Information Officer (CIO)
- 11:30 a.m. LUNCH
- 1:00 p.m. FACILITY INFORMATION MANAGEMENT SYSTEM
 —Tim Berry, Deputy Director, Public School Facilities Authority
- 1:30 p.m. LEGISLATIVE INFORMATION SYSTEM (LIS) — USER GROUP —
 STRATEGIC PLAN AND PROPOSED FY 2006 BUDGET
 —Lenore Naranjo, Chair, LIS User Group
 —Ralph Vincent, LIS, Legislative Council Service
 —Paula Tackett, Director, Legislative Council Service
- 2:30 p.m. DEPARTMENT OF PUBLIC SAFETY (DPS) — COMPUTER-AIDED
 DISPATCH (CAD) PROJECT — ASIS/IDIS (AUTOMATED
 FINGERPRINT) PROJECT — IDENTITY SECURITY
 —Veronica Chavez-Neuman, CIO, DPS
 —Paul Cook, Director, Technical and Emergency Support Division
 —Major Randall Bertram, New Mexico State Police
 —Sergeant Miguel Aguilar, New Mexico State Police
 —Roxanne Knight, Deputy Secretary for Administration
- 3:30 p.m. CYBER-CRIME

—Stephen Balke, Consultant, UNM part-time faculty

3:45 p.m. STAFF UPDATE — LEGISLATIVE INITIATIVES

4:00 p.m. OTHER COMMITTEE BUSINESS — PUBLIC COMMENT

4:15 p.m. ADJOURN

**DRAFT MINUTES
of the
SIXTH MEETING
of the
INFORMATION TECHNOLOGY OVERSIGHT COMMITTEE**

**November 8, 2004
Room 309, State Capitol**

The sixth meeting of the Information Technology (IT) Oversight Committee (ITOC) for the 2004 interim was called to order by Representative Debbie A. Rodella, vice chair, on November 8, 2004 at 10:05 a.m. in Room 309 of the State Capitol.

PRESENT

Sen. Richard C. Martinez, chair
Rep. Debbie A. Rodella, vice chair
Rep. Janice E. Arnold-Jones
Sen. Linda M. Lopez
Rep. Rory J. Ogle

ABSENT

Sen. Steve Komadina
Sen. William H. Payne
Rep. Luciano "Lucky" Varela

Advisory Members

Rep. Ted Hobbs
Rep. Jeannette O. Wallace

Sen. Rod Adair
Sen. Mark Boitano

Staff

Raul E. Burciaga
Ralph Vincent
Kathleen Dexter

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

STATUS REPORT BY THE CHAIR OF THE IT COMMISSION (ITC)

Carroll Cagle, chair of the ITC, invited all legislators and interested parties to attend the open source forum to be hosted by the ITC on December 9, 2004. The forum will include four of the top national experts on open source in state government, and one goal is to establish a common baseline of information on open source across all state agencies. Mr. Cagle also introduced the newest member of the ITC, Karen Buller, who is a member of the National Indian Telecommunications Institute. Mr. Cagle was joined by Moira Gerety, state chief information officer (CIO), and John Fitter, acting CIO for the General Services Department (GSD), and on questioning from committee members, they reported that:

- the previous ITC meeting was canceled due to a scheduling conflict with a cabinet meeting and a last-minute change of venue;
- the email consolidation plan has been approved by the Office of the CIO (OCIO);
- Dr. Stephen Easley, deputy director for information security at the Governor's Office

- of Homeland Security (GOHS), is working with the email consolidation team to establish a contingency plan for the consolidation process; old systems will not be shut down until all new user names and passwords are in place;
- independent verification and validation (IV&V) is now mandatory for IT projects funded through the Legislative Finance Committee (LFC) and must be done by an entity other than the vendor; results must be reported to an executive board or a project sponsor; and
 - the OCIO has oversight of IT funding through executive agencies, but IT funds appropriated to other entities come under OCIO oversight only by exception.

In general discussion, members noted that voting machines have not undergone IV&V except by the vendor. Manu Patel of the LFC informed the committee that the general appropriation act includes IV&V language. Senator Martinez requested that staff draft a memorandum to the OCIO, with a copy to the ITC, regarding IV&V language in statute.

STATUS REPORT BY THE CIO — IDENTITY (ID) MANAGEMENT AND SECURITY — ASSET MANAGEMENT

Ms. Gerety gave an update on initiatives in the OCIO, and Mr. Fitter reported on the GSD's ID management efforts. They reported that:

- GSD is coupling ID management with the email consolidation project to create a single enterprise directory to replace the many directories currently being used;
- data received from agencies for the IT asset inventory have been moved from spreadsheets into a database, where it is being validated; the next steps are to create reports focused on domain team priority issues and assess collaboration and volume licensing opportunities;
- domain teams are creating IT standards for all agencies that must be met before consolidation;
- the governor will issue an executive order next week stipulating a clear line of authority for IT security; last year's security assessment showed that email passwords are the state's top vulnerability;
- the security domain team has arranged for an enterprise licensing agreement with WebSense for web filtering and content screening; the MessageLabs agreement for email filtering has been continued;
- the GOHS is issuing a request for proposal (RFP) for information security for all state agencies based on the system used at the Department of Transportation;
- the OCIO will submit funding requests for centralized disaster recovery and infrastructure replacement, regional consolidation and an enterprise project management tool; the budget includes increased funding for intrusion detection;
- the *Egov Strategic Plan* will be complete before the session begins; and
- negotiations with PeopleSoft for the SHARE project are under way.

On questioning from committee members, the presenters stated that:

- life cycle management information is included in the IT asset inventory database, though replacement schedules for software are more difficult to predict than for hardware or infrastructure;
- there is no requirement for an agency to report security problems; the executive order

- on IT security, if passed as an ITC rule, would make reporting mandatory;
- maintenance funding does not currently include training but will in the future;
- the OCIO requires a nationwide RFP when specialized IT knowledge is called for and encourages local procurement when generalized IT knowledge is needed;
- some agencies publish social security numbers (SSNs) on the web; statutory control over the use and publication of SSNs is needed, but the OCIO does not have the staff to draft such legislation; and
- GSD rates for email seem high because they represent the total cost of ownership; if GSD is going to be the state's email hub, the department needs more funding; lack of bar authority to GSD has been an impediment.

Representative Arnold-Jones requested information on the Procurement Code and possible changes that would help the in-state IT community.

MINUTES

On motion duly made, seconded and passed without objection, the minutes for the October 25, 2004 meeting were approved.

PUBLIC SCHOOL FACILITIES AUTHORITY

Tim Berry, deputy director of the Public School Facilities Authority (PSFA), and Bob Bittner, PSFA maintenance coordinator, gave an overview of the PSFA, which serves as staff to the Public School Capital Outlay Council (PSCOC). They presented three IT funding requests on behalf of the PSCOC: a construction information management system, which is a program for cost control and project management; a facility information management system (FIMS), which provides preventative maintenance oversight; and a student population forecasting tool, which would be used to predict the need for new school facilities. The OCIO supports funding the FIMS and the student population forecasting, with the stipulation that the latter project fall under OCIO oversight and be coordinated with the Public Education Department (PED).

LEGISLATIVE INFORMATION SYSTEM (LIS) USER GROUP — STRATEGIC PLAN AND PROPOSED BUDGET

Lenore Naranjo, chair of the LIS User Group, Paula Tackett, director of the Legislative Council Service (LCS), and Ralph Vincent, LIS, LCS, presented the *LIS Three-Year Strategic Plan*, which includes summaries of current and future IT projects in the LIS and fiscal year 2006 IT funding requests. On questioning from committee members, the presenters stated that:

- security was tightened on the LIS following a third-party security assessment conducted last year;
- the LCS does not have time or staff to do ongoing enrolling and engrossing during sessions and has received no direction from the Legislative Council on the matter;
- there will be two full-time IT support personnel available during the upcoming session, and support staff will be further augmented if necessary;
- the LIS will be moved off the state system in order to minimize disruption during the email consolidation; nmlegislature.gov is the proposed new domain name; and
- new legislators will not receive laptops until after they are sworn in.

In general discussion, committee members discussed the merits and drawbacks of the current system for recording only the final vote taken in committee, noting that the process is set

by rule in each chamber. Representative Hobbs suggested that the LCS make a recommendation for a system that would include all votes taken on a house committee report, to be reviewed by the House Rules Committee. Representative Rodella requested that the LCS look into making a printer available to legislators, perhaps in the chief clerks' offices.

DEPARTMENT OF PUBLIC SAFETY (DPS) — COMPUTER-AIDED DISPATCH (CAD) PROJECT — AUTOMATED FINGERPRINT PROJECT — ID SECURITY

Veronica Chavez-Neuman, CIO for DPS, Paul Cook, director of the Technical and Emergency Support Division of DPS, and Major Randall Bertram and Sergeant Miguel Aguilar, both of the New Mexico State Police, gave a presentation on IT needs in DPS. The department needs approximately \$1.9 million to complete the CAD project, which will place laptops in all command vehicles and with certain supervisors, and \$3.5 million to replace the outdated fingerprinting system with an automated system that will reduce processing time. On the topic of ID security, Sergeant Aguilar reported that while ID theft is a misdemeanor in New Mexico, it is a felony in several other states, including Arizona, Texas and Utah. On questioning from committee members, the presenters stated that:

- DPS is 30 percent short on IT staff; contract labor costs to process the current backlog of fingerprints without converting to the automated system would be \$1.5 million; there is no federal money available for upgrading the fingerprint system;
- most criminal ID theft is committed by family members and financial ID theft by strangers; there is no clear delineation of responsibility for investigating ID theft cases in some law enforcement agencies; more training is needed statewide on handling ID theft cases; and
- the pilot project in electronic citations involves 12 police officers, all local to Santa Fe because of the need for training and software support.

Representative Arnold-Jones requested information from DPS on savings and efficiencies to be realized from converting to the automated fingerprint system.

UPDATE ON IT SECURITY

Dr. Easley appeared at the request of the chair, and on questioning he stated that:

- the IT system at the secretary of state's office has been monitored for three weeks;
- preparations are under way to conduct the intrusion testing that was scheduled for last June; and
- while he cannot give details in a public meeting, some state agencies are vulnerable to outside attack; the agencies have been notified, and some have not yet corrected their vulnerabilities.

Representative Ogle recommended that the committee hold an additional meeting to allow Dr. Easley to give details on IT vulnerabilities without violating the Open Meetings Act.

CYBER-CRIME

Stephen Balke, consultant and part-time faculty at the University of New Mexico, gave a presentation in favor of establishing an office of cyber-crime intervention (OCI) within the proposed office of homeland security. The OCI would serve as the primary agency for cyber-crime prevention, coordination and education efforts. In general discussion, committee members noted the need for educating the public and suggested that Mr. Balke take his proposal to the governor, lieutenant governor and Michelle Lewis of the PED. Representative Rodella directed staff to draft a memorial on the establishment of an OCI.

LEGISLATIVE INITIATIVES

Raul Burciaga led a review of the legislative initiatives and IT funding requests discussed by the committee during the interim, and Representative Arnold-Jones suggested adding a vetting process for the OCIO on all IT legislation.

PUBLIC COMMENT

Manu Patel informed the committee that the attorney general has drafted an opinion that contracts issued in perpetuity under the Procurement Code are illegal.

Having no further business, the committee adjourned at 4:45 p.m. on motion duly made, seconded and passed without objection.

NOTE: These minutes were not approved because the November 8 meeting ended the committee's business for the 2004 interim. Copies have been provided to committee members.

Update on Ongoing IT Issues

Status of the IT asset inventory:

Data received from agencies for the IT asset inventory have been moved from spreadsheets into a database, where the data are now being validated. The next steps in the inventory process will include creating reports focused on IT consolidation domain team priority issues and an assessment of collaboration and volume licensing opportunities.